

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Video Gaming Act is amended by changing  
5 Sections 5, 15, 25, 45, and 78 as follows:

6 (230 ILCS 40/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Board" means the Illinois Gaming Board.

9 "Credit" means one, 5, 10, or 25 cents either won or  
10 purchased by a player.

11 "Distributor" means an individual, partnership,  
12 corporation, or limited liability company licensed under this  
13 Act to buy, sell, lease, or distribute video gaming terminals  
14 or major components or parts of video gaming terminals to or  
15 from terminal operators.

16 "Electronic card" means a card purchased from a licensed  
17 establishment, licensed fraternal establishment, licensed  
18 veterans establishment, or licensed truck stop establishment  
19 for use in that establishment as a substitute for cash in the  
20 conduct of gaming on a video gaming terminal.

21 "Terminal operator" means an individual, partnership,  
22 corporation, or limited liability company that is licensed  
23 under this Act and that owns, services, and maintains video

1 gaming terminals for placement in licensed establishments,  
2 licensed truck stop establishments, licensed fraternal  
3 establishments, or licensed veterans establishments.

4 "Licensed technician" means an individual who is licensed  
5 under this Act to repair, service, and maintain video gaming  
6 terminals.

7 "Licensed terminal handler" means a person, including but  
8 not limited to an employee or independent contractor working  
9 for a manufacturer, distributor, supplier, technician, or  
10 terminal operator, who is licensed under this Act to possess or  
11 control a video gaming terminal or to have access to the inner  
12 workings of a video gaming terminal. A licensed terminal  
13 handler does not include an individual, partnership,  
14 corporation, or limited liability company defined as a  
15 manufacturer, distributor, supplier, technician, or terminal  
16 operator under this Act.

17 "Manufacturer" means an individual, partnership,  
18 corporation, or limited liability company that is licensed  
19 under this Act and that manufactures or assembles video gaming  
20 terminals.

21 "Supplier" means an individual, partnership, corporation,  
22 or limited liability company that is licensed under this Act to  
23 supply major components or parts to video gaming terminals to  
24 licensed terminal operators.

25 "Net terminal income" means money put into a video gaming  
26 terminal minus credits paid out to players.

1 "Video gaming terminal" means any electronic video game  
2 machine that, upon insertion of cash, electronic cards or  
3 vouchers or any combination thereof, is available to play or  
4 simulate the play of a video game, including but not limited to  
5 video poker, line up, and blackjack, as authorized by the Board  
6 utilizing a video display and microprocessors in which the  
7 player may receive free games or credits that can be redeemed  
8 for cash. The term does not include a machine that directly  
9 dispenses coins, cash, or tokens or is for amusement purposes  
10 only.

11 "Licensed establishment" means any licensed retail  
12 establishment where alcoholic liquor is drawn, poured, mixed,  
13 or otherwise served for consumption on the premises and  
14 includes any such establishment that has a contractual  
15 relationship with an inter-track wagering location licensee  
16 licensed under the Illinois Horse Racing Act of 1975, provided  
17 any contractual relationship shall not include any transfer or  
18 offer of revenue from the operation of video gaming under this  
19 Act to any licensee licensed under the Illinois Horse Racing  
20 Act of 1975. Provided, however, that the licensed establishment  
21 that has such a contractual relationship with an inter-track  
22 wagering location licensee may not, itself, be (i) an  
23 inter-track wagering location licensee, (ii) the corporate  
24 parent or subsidiary of any licensee licensed under the  
25 Illinois Horse Racing Act of 1975, or (iii) the corporate  
26 subsidiary of a corporation that is also the corporate parent

1 or subsidiary of any licensee licensed under the Illinois Horse  
2 Racing Act of 1975. "Licensed establishment" does not include a  
3 facility operated by an organization licensee, an inter-track  
4 wagering licensee, or an inter-track wagering location  
5 licensee licensed under the Illinois Horse Racing Act of 1975  
6 or a riverboat licensed under the Riverboat Gambling Act,  
7 except as provided in this paragraph.

8 "Licensed fraternal establishment" means the location  
9 where a qualified fraternal organization that derives its  
10 charter from a national fraternal organization regularly  
11 meets.

12 "Licensed veterans establishment" means the location where  
13 a qualified veterans organization that derives its charter from  
14 a national veterans organization regularly meets.

15 "Licensed truck stop establishment" means a facility (i)  
16 that is at least a 3-acre facility with a convenience store,  
17 (ii) with separate diesel islands for fueling commercial motor  
18 vehicles, (iii) that sells at retail more than 10,000 gallons  
19 of diesel or biodiesel fuel per month, and (iv) with parking  
20 spaces for commercial motor vehicles. "Commercial motor  
21 vehicles" has the same meaning as defined in Section 18b-101 of  
22 the Illinois Vehicle Code. The requirement of item (iii) of  
23 this paragraph may be met by showing that estimated future  
24 sales or past sales average at least 10,000 gallons per month.

25 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;  
26 96-1410, eff. 7-30-10; 96-1479, eff. 8-23-10; 97-333, eff.

1 8-12-11.)

2 (230 ILCS 40/15)

3 Sec. 15. Minimum requirements for licensing and  
4 registration. Every video gaming terminal offered for play  
5 shall first be tested and approved pursuant to the rules of the  
6 Board, and each video gaming terminal offered in this State for  
7 play shall conform to an approved model. The Board may utilize  
8 the services of an independent outside testing laboratory for  
9 the examination of video gaming machines and associated  
10 equipment as required by this Section. Every video gaming  
11 terminal offered in this State for play must meet minimum  
12 standards set by an independent outside testing laboratory  
13 approved by the Board. Each approved model shall, at a minimum,  
14 meet the following criteria:

15 (1) It must conform to all requirements of federal law  
16 and regulations, including FCC Class A Emissions  
17 Standards.

18 (2) It must theoretically pay out a mathematically  
19 demonstrable percentage during the expected lifetime of  
20 the machine of all amounts played, which must not be less  
21 than 80%. The Board shall establish a maximum payout  
22 percentage for approved models by rule. Video gaming  
23 terminals that may be affected by skill must meet this  
24 standard when using a method of play that will provide the  
25 greatest return to the player over a period of continuous

1 play.

2 (3) It must use a random selection process to determine  
3 the outcome of each play of a game. The random selection  
4 process must meet 99% confidence limits using a standard  
5 chi-squared test for (randomness) goodness of fit.

6 (4) It must display an accurate representation of the  
7 game outcome.

8 (5) It must not automatically alter pay tables or any  
9 function of the video gaming terminal based on internal  
10 computation of hold percentage or have any means of  
11 manipulation that affects the random selection process or  
12 probabilities of winning a game.

13 (6) It must not be adversely affected by static  
14 discharge or other electromagnetic interference.

15 (7) It must be capable of detecting and displaying the  
16 following conditions during idle states or on demand: power  
17 reset; door open; and door just closed.

18 (8) It must have the capacity to display complete play  
19 history (outcome, intermediate play steps, credits  
20 available, bets placed, credits paid, and credits cashed  
21 out) for the most recent game played and 10 games prior  
22 thereto.

23 (9) The theoretical payback percentage of a video  
24 gaming terminal must not be capable of being changed  
25 without making a hardware or software change in the video  
26 gaming terminal, either on site or via the central

1           communications system.

2           (10) Video gaming terminals must be designed so that  
3           replacement of parts or modules required for normal  
4           maintenance does not necessitate replacement of the  
5           electromechanical meters.

6           (11) It must have nonresettable meters housed in a  
7           locked area of the terminal that keep a permanent record of  
8           all cash inserted into the machine, all winnings made by  
9           the terminal printer, credits played in for video gaming  
10          terminals, and credits won by video gaming players. The  
11          video gaming terminal must provide the means for on-demand  
12          display of stored information as determined by the Board.

13          (12) Electronically stored meter information required  
14          by this Section must be preserved for a minimum of 180 days  
15          after a power loss to the service.

16          (13) It must have one or more mechanisms that accept  
17          cash in the form of bills. The mechanisms shall be designed  
18          to prevent obtaining credits without paying by stringing,  
19          slamming, drilling, or other means. If such attempts at  
20          physical tampering are made, the video gaming terminal  
21          shall suspend itself from operating until reset.

22          (14) It shall have accounting software that keeps an  
23          electronic record which includes, but is not limited to,  
24          the following: total cash inserted into the video gaming  
25          terminal; the value of winning tickets claimed by players;  
26          the total credits played; the total credits awarded by a

1 video gaming terminal; and pay back percentage credited to  
2 players of each video game.

3 (15) It shall be linked by a central communications  
4 system to provide auditing program information as approved  
5 by the Board. The central communications system shall use a  
6 standard industry protocol, as defined by the Gaming  
7 Standards Association, and shall have the functionality to  
8 enable the Board or its designee to activate or deactivate  
9 individual gaming devices from the central communications  
10 system. In no event may the communications system approved  
11 by the Board limit participation to only one manufacturer  
12 of video gaming terminals by either the cost in  
13 implementing the necessary program modifications to  
14 communicate or the inability to communicate with the  
15 central communications system.

16 (16) The Board, in its discretion, may require video  
17 gaming terminals to display Amber Alert messages if the  
18 Board makes a finding that it would be economically and  
19 technically feasible and pose no risk to the integrity and  
20 security of the central communications system and video  
21 gaming terminals.

22 The Board may adopt rules to establish additional criteria  
23 to preserve the integrity and security of video gaming in this  
24 State. The central communications system vendor may be licensed  
25 as a video gaming terminal manufacturer or a video gaming  
26 terminal distributor, or both, but in no event shall the

1 central communications system vendor be licensed as a video  
2 gaming terminal operator. The central communications system  
3 vendor may not hold any license issued by the Board under this  
4 Act.

5 The Board shall not permit the development of information  
6 or the use by any licensee of gaming device or individual game  
7 performance data. Nothing in this Act shall inhibit or prohibit  
8 the Board from the use of gaming device or individual game  
9 performance data in its regulatory duties. The Board shall  
10 adopt rules to ensure that all licensees are treated and all  
11 licensees act in a non-discriminatory manner and develop  
12 processes and penalties to enforce those rules.

13 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;  
14 96-1410, eff. 7-30-10.)

15 (230 ILCS 40/25)

16 Sec. 25. Restriction of licensees.

17 (a) Manufacturer. A person may not be licensed as a  
18 manufacturer of a video gaming terminal in Illinois unless the  
19 person has a valid manufacturer's license issued under this  
20 Act. A manufacturer may only sell video gaming terminals for  
21 use in Illinois to persons having a valid distributor's  
22 license.

23 (b) Distributor. A person may not sell, distribute, or  
24 lease or market a video gaming terminal in Illinois unless the  
25 person has a valid distributor's license issued under this Act.

1 A distributor may only sell video gaming terminals for use in  
2 Illinois to persons having a valid distributor's or terminal  
3 operator's license.

4 (c) Terminal operator. A person may not own, maintain, or  
5 place a video gaming terminal unless he has a valid terminal  
6 operator's license issued under this Act. A terminal operator  
7 may only place video gaming terminals for use in Illinois in  
8 licensed establishments, licensed truck stop establishments,  
9 licensed fraternal establishments, and licensed veterans  
10 establishments. No terminal operator may give anything of  
11 value, including but not limited to a loan or financing  
12 arrangement, to a licensed establishment, licensed truck stop  
13 establishment, licensed fraternal establishment, or licensed  
14 veterans establishment as any incentive or inducement to locate  
15 video terminals in that establishment. Of the after-tax profits  
16 from a video gaming terminal, 50% shall be paid to the terminal  
17 operator and 50% shall be paid to the licensed establishment,  
18 licensed truck stop establishment, licensed fraternal  
19 establishment, or licensed veterans establishment,  
20 notwithstanding any agreement to the contrary. A video terminal  
21 operator that violates one or more requirements of this  
22 subsection is guilty of a Class 4 felony and is subject to  
23 termination of his or her license by the Board.

24 (d) Licensed technician. A person may not service,  
25 maintain, or repair a video gaming terminal in this State  
26 unless he or she (1) has a valid technician's license issued

1 under this Act, (2) is a terminal operator, or (3) is employed  
2 by a terminal operator, distributor, or manufacturer.

3 (d-5) Licensed terminal handler. No person, including, but  
4 not limited to, an employee or independent contractor working  
5 for a manufacturer, distributor, supplier, technician, or  
6 terminal operator licensed pursuant to this Act, shall have  
7 possession or control of a video gaming terminal, or access to  
8 the inner workings of a video gaming terminal, unless that  
9 person possesses a valid terminal handler's license issued  
10 under this Act.

11 (e) Licensed establishment. No video gaming terminal may be  
12 placed in any licensed establishment, licensed veterans  
13 establishment, licensed truck stop establishment, or licensed  
14 fraternal establishment unless the owner or agent of the owner  
15 of the licensed establishment, licensed veterans  
16 establishment, licensed truck stop establishment, or licensed  
17 fraternal establishment has entered into a written use  
18 agreement with the terminal operator for placement of the  
19 terminals. A copy of the use agreement shall be on file in the  
20 terminal operator's place of business and available for  
21 inspection by individuals authorized by the Board. A licensed  
22 establishment, licensed truck stop establishment, licensed  
23 veterans establishment, or licensed fraternal establishment  
24 may operate up to 5 video gaming terminals on its premises at  
25 any time.

26 (f) (Blank).

1 (g) Financial interest restrictions. As used in this Act,  
2 "substantial interest" in a partnership, a corporation, an  
3 organization, an association, a business, or a limited  
4 liability company means:

5 (A) When, with respect to a sole proprietorship, an  
6 individual or his or her spouse owns, operates, manages, or  
7 conducts, directly or indirectly, the organization,  
8 association, or business, or any part thereof; or

9 (B) When, with respect to a partnership, the individual  
10 or his or her spouse shares in any of the profits, or  
11 potential profits, of the partnership activities; or

12 (C) When, with respect to a corporation, an individual  
13 or his or her spouse is an officer or director, or the  
14 individual or his or her spouse is a holder, directly or  
15 beneficially, of 5% or more of any class of stock of the  
16 corporation; or

17 (D) When, with respect to an organization not covered  
18 in (A), (B) or (C) above, an individual or his or her  
19 spouse is an officer or manages the business affairs, or  
20 the individual or his or her spouse is the owner of or  
21 otherwise controls 10% or more of the assets of the  
22 organization; or

23 (E) When an individual or his or her spouse furnishes  
24 5% or more of the capital, whether in cash, goods, or  
25 services, for the operation of any business, association,  
26 or organization during any calendar year; or

1           (F) When, with respect to a limited liability company,  
2           an individual or his or her spouse is a member, or the  
3           individual or his or her spouse is a holder, directly or  
4           beneficially, of 5% or more of the membership interest of  
5           the limited liability company.

6           For purposes of this subsection (g), "individual" includes  
7           all individuals or their spouses whose combined interest would  
8           qualify as a substantial interest under this subsection (g) and  
9           whose activities with respect to an organization, association,  
10          or business are so closely aligned or coordinated as to  
11          constitute the activities of a single entity.

12          (h) Location restriction. A licensed establishment,  
13          licensed truck stop establishment, licensed fraternal  
14          establishment, or licensed veterans establishment that is (i)  
15          located within 1,000 feet of a facility operated by an  
16          organization licensee ~~or an inter-track wagering licensee~~  
17          licensed under the Illinois Horse Racing Act of 1975 or the  
18          home dock of a riverboat licensed under the Riverboat Gambling  
19          Act or (ii) located within 100 feet of a school or a place of  
20          worship under the Religious Corporation Act, is ineligible to  
21          operate a video gaming terminal. The location restrictions in  
22          this subsection (h) do not apply if a facility operated by an  
23          organization licensee, ~~an inter-track wagering licensee, or an~~  
24          ~~inter-track wagering location licensee,~~ a school, or a place of  
25          worship moves to or is established within the restricted area  
26          after a licensed establishment, licensed truck stop

1 establishment, licensed fraternal establishment, or licensed  
2 veterans establishment becomes licensed under this Act. For the  
3 purpose of this subsection, "school" means an elementary or  
4 secondary public school, or an elementary or secondary private  
5 school registered with or recognized by the State Board of  
6 Education.

7 Notwithstanding the provisions of this subsection (h), the  
8 Board may waive the requirement that a licensed establishment,  
9 licensed truck stop establishment, licensed fraternal  
10 establishment, or licensed veterans establishment not be  
11 located within 1,000 feet from a facility operated by an  
12 organization licensee, ~~an inter-track wagering licensee, or an~~  
13 ~~inter-track wagering location licensee~~ licensed under the  
14 Illinois Horse Racing Act of 1975 or the home dock of a  
15 riverboat licensed under the Riverboat Gambling Act. The Board  
16 shall not grant such waiver if there is any common ownership or  
17 control, shared business activity, or contractual arrangement  
18 of any type between the establishment and the organization  
19 licensee, ~~inter-track wagering licensee, inter-track wagering~~  
20 ~~location licensee~~, or owners licensee of a riverboat. The Board  
21 shall adopt rules to implement the provisions of this  
22 paragraph.

23 (i) Undue economic concentration. In addition to  
24 considering all other requirements under this Act, in deciding  
25 whether to approve the operation of video gaming terminals by a  
26 terminal operator in a location, the Board shall consider the

1 impact of any economic concentration of such operation of video  
2 gaming terminals. The Board shall not allow a terminal operator  
3 to operate video gaming terminals if the Board determines such  
4 operation will result in undue economic concentration. For  
5 purposes of this Section, "undue economic concentration" means  
6 that a terminal operator would have such actual or potential  
7 influence over video gaming terminals in Illinois as to:

8 (1) substantially impede or suppress competition among  
9 terminal operators;

10 (2) adversely impact the economic stability of the  
11 video gaming industry in Illinois; or

12 (3) negatively impact the purposes of the Video Gaming  
13 Act.

14 The Board shall adopt rules concerning undue economic  
15 concentration with respect to the operation of video gaming  
16 terminals in Illinois. The rules shall include, but not be  
17 limited to, (i) limitations on the number of video gaming  
18 terminals operated by any terminal operator within a defined  
19 geographic radius and (ii) guidelines on the discontinuation of  
20 operation of any such video gaming terminals the Board  
21 determines will cause undue economic concentration.

22 (j) The provisions of the Illinois Antitrust Act are fully  
23 and equally applicable to the activities of any licensee under  
24 this Act.

25 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
26 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;

1 96-1479, eff. 8-23-10; 97-333, eff. 8-12-11.)

2 (230 ILCS 40/45)

3 Sec. 45. Issuance of license.

4 (a) The burden is upon each applicant to demonstrate his  
5 suitability for licensure. Each video gaming terminal  
6 manufacturer, distributor, supplier, operator, handler,  
7 licensed establishment, licensed truck stop establishment,  
8 licensed fraternal establishment, and licensed veterans  
9 establishment shall be licensed by the Board. The Board may  
10 issue or deny a license under this Act to any person pursuant  
11 to the same criteria set forth in Section 9 of the Riverboat  
12 Gambling Act.

13 (a-5) The Board shall not grant a license to a person who  
14 has facilitated, enabled, or participated in the use of  
15 coin-operated devices for gambling purposes or who is under the  
16 significant influence or control of such a person. For the  
17 purposes of this Act, "facilitated, enabled, or participated in  
18 the use of coin-operated amusement devices for gambling  
19 purposes" means that the person has been convicted of any  
20 violation of Article 28 of the Criminal Code of 1961 or the  
21 Criminal Code of 2012. If there is pending legal action against  
22 a person for any such violation, then the Board shall delay the  
23 licensure of that person until the legal action is resolved.

24 (b) Each person seeking and possessing a license as a video  
25 gaming terminal manufacturer, distributor, supplier, operator,

1 handler, licensed establishment, licensed truck stop  
2 establishment, licensed fraternal establishment, or licensed  
3 veterans establishment shall submit to a background  
4 investigation conducted by the Board with the assistance of the  
5 State Police or other law enforcement. The background  
6 investigation shall include each beneficiary of a trust, each  
7 partner of a partnership, and each director and officer and all  
8 stockholders of 5% or more in a parent or subsidiary  
9 corporation of a video gaming terminal manufacturer,  
10 distributor, supplier, operator, or licensed establishment,  
11 licensed truck stop establishment, licensed fraternal  
12 establishment, or licensed veterans establishment.

13 (c) Each person seeking and possessing a license as a video  
14 gaming terminal manufacturer, distributor, supplier, operator,  
15 handler, licensed establishment, licensed truck stop  
16 establishment, licensed fraternal establishment, or licensed  
17 veterans establishment shall disclose the identity of every  
18 person, association, trust, corporation, or limited liability  
19 company having a greater than 1% direct or indirect pecuniary  
20 interest in the video gaming terminal operation for which the  
21 license is sought. If the disclosed entity is a trust, the  
22 application shall disclose the names and addresses of the  
23 beneficiaries; if a corporation, the names and addresses of all  
24 stockholders and directors; if a limited liability company, the  
25 names and addresses of all members; or if a partnership, the  
26 names and addresses of all partners, both general and limited.

1 (d) No person may be licensed as a video gaming terminal  
 2 manufacturer, distributor, supplier, operator, handler,  
 3 licensed establishment, licensed truck stop establishment,  
 4 licensed fraternal establishment, or licensed veterans  
 5 establishment if that person has been found by the Board to:

6 (1) have a background, including a criminal record,  
 7 reputation, habits, social or business associations, or  
 8 prior activities that pose a threat to the public interests  
 9 of the State or to the security and integrity of video  
 10 gaming;

11 (2) create or enhance the dangers of unsuitable,  
 12 unfair, or illegal practices, methods, and activities in  
 13 the conduct of video gaming; or

14 (3) present questionable business practices and  
 15 financial arrangements incidental to the conduct of video  
 16 gaming activities.

17 (e) Any applicant for any license under this Act has the  
 18 burden of proving his or her qualifications to the satisfaction  
 19 of the Board. The Board may adopt rules to establish additional  
 20 qualifications and requirements to preserve the integrity and  
 21 security of video gaming in this State.

22 (f) A non-refundable application fee shall be paid at the  
 23 time an application for a license is filed with the Board in  
 24 the following amounts:

- 25 (1) Manufacturer ..... \$5,000
- 26 (2) Distributor..... \$5,000

- 1 (3) Terminal operator..... \$5,000
- 2 (4) Supplier ..... \$2,500
- 3 (5) Technician ..... \$100
- 4 (6) Terminal Handler ..... \$50

5 (g) The Board shall establish an annual fee for each  
 6 license not to exceed the following:

- 7 (1) Manufacturer ..... \$10,000
- 8 (2) Distributor..... \$10,000
- 9 (3) Terminal operator..... \$5,000
- 10 (4) Supplier ..... \$2,000
- 11 (5) Technician ..... \$100
- 12 (6) Licensed establishment, licensed truck stop  
 13 establishment, licensed fraternal establishment,  
 14 or licensed veterans establishment ..... \$100
- 15 (7) Video gaming terminal..... \$100
- 16 (8) Terminal Handler ..... \$50

17 (h) A terminal operator and a licensed establishment,  
 18 licensed truck stop establishment, licensed fraternal  
 19 establishment, or licensed veterans establishment shall  
 20 equally split the fees specified in item (7) of subsection (g).

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
 22 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;  
 23 97-1150, eff. 1-25-13.)

24 (230 ILCS 40/78)

25 Sec. 78. Authority of the Illinois Gaming Board.

1           (a) The Board shall have jurisdiction over and shall  
2 supervise all gaming operations governed by this Act. The Board  
3 shall have all powers necessary and proper to fully and  
4 effectively execute the provisions of this Act, including, but  
5 not limited to, the following:

6           (1) To investigate applicants and determine the  
7 eligibility of applicants for licenses and to select among  
8 competing applicants the applicants which best serve the  
9 interests of the citizens of Illinois.

10          (2) To have jurisdiction and supervision over all video  
11 gaming operations in this State and all persons in  
12 establishments where video gaming operations are  
13 conducted.

14          (3) To adopt rules for the purpose of administering the  
15 provisions of this Act and to prescribe rules, regulations,  
16 and conditions under which all video gaming in the State  
17 shall be conducted. Such rules and regulations are to  
18 provide for the prevention of practices detrimental to the  
19 public interest and for the best interests of video gaming,  
20 including rules and regulations (i) regarding the  
21 inspection of such establishments and the review of any  
22 permits or licenses necessary to operate an establishment  
23 under any laws or regulations applicable to  
24 establishments, (ii) ~~and~~ to impose penalties for  
25 violations of this Act and its rules, and (iii)  
26 establishing standards for advertising video gaming.

1 (b) The Board shall adopt emergency rules to administer  
2 this Act in accordance with Section 5-45 of the Illinois  
3 Administrative Procedure Act. For the purposes of the Illinois  
4 Administrative Procedure Act, the General Assembly finds that  
5 the adoption of rules to implement this Act is deemed an  
6 emergency and necessary to the public interest, safety, and  
7 welfare.

8 (Source: P.A. 96-38, eff. 7-13-09; 96-1410, eff. 7-30-10.)

9 Section 10. The Criminal Code of 2012 is amended by  
10 changing Sections 28-2, 28-5, and 28-8 as follows:

11 (720 ILCS 5/28-2) (from Ch. 38, par. 28-2)

12 Sec. 28-2. Definitions.

13 (a) A "gambling device" is any clock, tape machine, slot  
14 machine or other machines or device for the reception of money  
15 or other thing of value on chance or skill or upon the action  
16 of which money or other thing of value is staked, hazarded,  
17 bet, won or lost; or any mechanism, furniture, fixture,  
18 equipment or other device designed primarily for use in a  
19 gambling place. A "gambling device" does not include:

20 (1) A coin-in-the-slot operated mechanical device  
21 played for amusement which rewards the player with the  
22 right to replay such mechanical device, which device is so  
23 constructed or devised as to make such result of the  
24 operation thereof depend in part upon the skill of the

1 player and which returns to the player thereof no money,  
2 property or right to receive money or property.

3 (2) Vending machines by which full and adequate return  
4 is made for the money invested and in which there is no  
5 element of chance or hazard.

6 (3) A crane game. For the purposes of this paragraph  
7 (3), a "crane game" is an amusement device involving skill,  
8 if it rewards the player exclusively with merchandise  
9 contained within the amusement device proper and limited to  
10 toys, novelties and prizes other than currency, each having  
11 a wholesale value which is not more than \$25.

12 (4) A redemption machine. For the purposes of this  
13 paragraph (4), a "redemption machine" is a single-player or  
14 multi-player amusement device involving a game, the object  
15 of which is throwing, rolling, bowling, shooting, placing,  
16 or propelling a ball or other object that is either  
17 physical or computer generated on a display or with lights  
18 into, upon, or against a hole or other target that is  
19 either physical or computer generated on a display or with  
20 lights, or stopping, by physical, mechanical, or  
21 electronic means, a moving object that is either physical  
22 or computer generated on a display or with lights into,  
23 upon, or against a hole or other target that is either  
24 physical or computer generated on a display or with lights,  
25 provided that all of the following conditions are met:

26 (A) The outcome of the game is predominantly

1           determined by the skill of the player.

2           (B) The award of the prize is based solely upon the  
3           player's achieving the object of the game or otherwise  
4           upon the player's score.

5           (C) Only merchandise prizes are awarded.

6           (D) The wholesale value of prizes awarded in lieu  
7           of tickets or tokens for single play of the device does  
8           not exceed \$25.

9           (E) The redemption value of tickets, tokens, and  
10          other representations of value, which may be  
11          accumulated by players to redeem prizes of greater  
12          value, for a single play of the device does not exceed  
13          \$25.

14          (5) Video gaming terminals at a licensed  
15          establishment, licensed truck stop establishment, licensed  
16          fraternal establishment, or licensed veterans  
17          establishment licensed in accordance with the Video Gaming  
18          Act.

19          (a-5) "Internet" means an interactive computer service or  
20          system or an information service, system, or access software  
21          provider that provides or enables computer access by multiple  
22          users to a computer server, and includes, but is not limited  
23          to, an information service, system, or access software provider  
24          that provides access to a network system commonly known as the  
25          Internet, or any comparable system or service and also  
26          includes, but is not limited to, a World Wide Web page,

1 newsgroup, message board, mailing list, or chat area on any  
2 interactive computer service or system or other online service.

3 (a-6) "Access" and "computer" have the meanings ascribed to  
4 them in Section 16D-2 of this Code.

5 (b) A "lottery" is any scheme or procedure whereby one or  
6 more prizes are distributed by chance among persons who have  
7 paid or promised consideration for a chance to win such prizes,  
8 whether such scheme or procedure is called a lottery, raffle,  
9 gift, sale or some other name.

10 (c) A "policy game" is any scheme or procedure whereby a  
11 person promises or guarantees by any instrument, bill,  
12 certificate, writing, token or other device that any particular  
13 number, character, ticket or certificate shall in the event of  
14 any contingency in the nature of a lottery entitle the  
15 purchaser or holder to receive money, property or evidence of  
16 debt.

17 (Source: P.A. 97-1126, eff. 1-1-13.)

18 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

19 Sec. 28-5. Seizure of gambling devices and gambling funds.

20 (a) Every device designed for gambling which is incapable  
21 of lawful use or every device used unlawfully for gambling  
22 shall be considered a "gambling device", and shall be subject  
23 to seizure, confiscation and destruction by the Department of  
24 State Police or by any municipal, or other local authority,  
25 within whose jurisdiction the same may be found. As used in

1 this Section, a "gambling device" includes any slot machine,  
2 and includes any machine or device constructed for the  
3 reception of money or other thing of value and so constructed  
4 as to return, or to cause someone to return, on chance to the  
5 player thereof money, property or a right to receive money or  
6 property. With the exception of any device designed for  
7 gambling which is incapable of lawful use, no gambling device  
8 shall be forfeited or destroyed unless an individual with a  
9 property interest in said device knows of the unlawful use of  
10 the device.

11 (b) Every gambling device shall be seized and forfeited to  
12 the county wherein such seizure occurs. Any money or other  
13 thing of value integrally related to acts of gambling shall be  
14 seized and forfeited to the county wherein such seizure occurs.

15 (c) If, within 60 days after any seizure pursuant to  
16 subparagraph (b) of this Section, a person having any property  
17 interest in the seized property is charged with an offense, the  
18 court which renders judgment upon such charge shall, within 30  
19 days after such judgment, conduct a forfeiture hearing to  
20 determine whether such property was a gambling device at the  
21 time of seizure. Such hearing shall be commenced by a written  
22 petition by the State, including material allegations of fact,  
23 the name and address of every person determined by the State to  
24 have any property interest in the seized property, a  
25 representation that written notice of the date, time and place  
26 of such hearing has been mailed to every such person by

1 certified mail at least 10 days before such date, and a request  
2 for forfeiture. Every such person may appear as a party and  
3 present evidence at such hearing. The quantum of proof required  
4 shall be a preponderance of the evidence, and the burden of  
5 proof shall be on the State. If the court determines that the  
6 seized property was a gambling device at the time of seizure,  
7 an order of forfeiture and disposition of the seized property  
8 shall be entered: a gambling device shall be received by the  
9 State's Attorney, who shall effect its destruction, except that  
10 valuable parts thereof may be liquidated and the resultant  
11 money shall be deposited in the general fund of the county  
12 wherein such seizure occurred; money and other things of value  
13 shall be received by the State's Attorney and, upon  
14 liquidation, shall be deposited in the general fund of the  
15 county wherein such seizure occurred. However, in the event  
16 that a defendant raises the defense that the seized slot  
17 machine is an antique slot machine described in subparagraph  
18 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
19 from the charge of a gambling activity participant, the seized  
20 antique slot machine shall not be destroyed or otherwise  
21 altered until a final determination is made by the Court as to  
22 whether it is such an antique slot machine. Upon a final  
23 determination by the Court of this question in favor of the  
24 defendant, such slot machine shall be immediately returned to  
25 the defendant. Such order of forfeiture and disposition shall,  
26 for the purposes of appeal, be a final order and judgment in a

1 civil proceeding.

2 (d) If a seizure pursuant to subparagraph (b) of this  
3 Section is not followed by a charge pursuant to subparagraph  
4 (c) of this Section, or if the prosecution of such charge is  
5 permanently terminated or indefinitely discontinued without  
6 any judgment of conviction or acquittal (1) the State's  
7 Attorney shall commence an in rem proceeding for the forfeiture  
8 and destruction of a gambling device, or for the forfeiture and  
9 deposit in the general fund of the county of any seized money  
10 or other things of value, or both, in the circuit court and (2)  
11 any person having any property interest in such seized gambling  
12 device, money or other thing of value may commence separate  
13 civil proceedings in the manner provided by law.

14 (e) Any gambling device displayed for sale to a riverboat  
15 gambling operation or used to train occupational licensees of a  
16 riverboat gambling operation as authorized under the Riverboat  
17 Gambling Act is exempt from seizure under this Section.

18 (f) Any gambling equipment, devices and supplies provided  
19 by a licensed supplier in accordance with the Riverboat  
20 Gambling Act which are removed from the riverboat for repair  
21 are exempt from seizure under this Section.

22 (g) The following video gaming terminals are exempt from  
23 seizure under this Section:

24 (1) Video gaming terminals for sale to a licensed  
25 distributor or operator under the Video Gaming Act.

26 (2) Video gaming terminals used to train licensed

1       technicians or licensed terminal handlers.

2           (3) Video gaming terminals that are removed from a  
3       licensed establishment, licensed truck stop establishment,  
4       licensed fraternal establishment, or licensed veterans  
5       establishment for repair.

6       (Source: P.A. 87-826.)

7           (720 ILCS 5/28-8) (from Ch. 38, par. 28-8)

8       Sec. 28-8. Gambling losses recoverable.

9       (a) Any person who by gambling shall lose to any other  
10      person, any sum of money or thing of value, amounting to the  
11      sum of \$50 or more and shall pay or deliver the same or any part  
12      thereof, may sue for and recover the money or other thing of  
13      value, so lost and paid or delivered, in a civil action against  
14      the winner thereof, with costs, in the circuit court. No person  
15      who accepts from another person for transmission, and  
16      transmits, either in his own name or in the name of such other  
17      person, any order for any transaction to be made upon, or who  
18      executes any order given to him by another person, or who  
19      executes any transaction for his own account on, any regular  
20      board of trade or commercial, commodity or stock exchange,  
21      shall, under any circumstances, be deemed a "winner" of any  
22      moneys lost by such other person in or through any such  
23      transactions.

24       (b) If within 6 months, such person who under the terms of  
25      Subsection 28-8(a) is entitled to initiate action to recover

1 his losses does not in fact pursue his remedy, any person may  
2 initiate a civil action against the winner. The court or the  
3 jury, as the case may be, shall determine the amount of the  
4 loss. After such determination, the court shall enter a  
5 judgment of triple the amount so determined.

6 (c) Gambling losses as a result of gambling conducted on a  
7 video gaming terminal licensed under the Video Gaming Act are  
8 not recoverable under this Section.

9 (Source: P.A. 79-1360.)

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.